



U.S. Department of Justice

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May 25, 2006

EVENT: Guilty Plea

Defendant: Marion Tarasan

**WARREN BUSINESS OWNER PLEADS GUILTY TO
NOT TURNING OVER EMPLOYEE'S WITHHOLDING TAX**

Marion Tarasan, 51, owner and sole shareholder of Alcove Network Corporation, pleaded guilty on May 23, 2006 to a superseding information charging her with tax evasion, United States Attorney Stephen J. Murphy announced.

Murphy was joined in the announcement by Maurice Aouate, Special Agent In Charge of the Detroit Field Office of the Internal Revenue Service Criminal Investigation.

According to court records, Tarasan purchased Alcove in 1997 and was required by law to withhold employment taxes for her employees and pay them over to the Internal Revenue Service. Between 1999 and 2001, Tarasan failed to pay over \$313,000 in employment taxes. During the same time period, Tarasan took funds from Alcove and paid personal expenses with transactions that were recorded as loans to shareholders, totaling over \$850,000. According to the Michigan Department of Labor and Economic Growth, Alcove Network Corporation is located in Warren, Michigan.

"Our system depends on the voluntary compliance of citizens with our shared responsibility to pay taxes. Employers must be particularly responsible in meeting this lawful

obligation,” said U.S. Attorney Murphy.

“The tax law is very clear – it is the responsibility of each employer to withhold employment taxes from the salaries of their employees and deposit these taxes in full to the Internal Revenue Service. Failure to do so can result in serious consequences,” said Aouate.

Sentencing is scheduled for August 14, 2006 at 2 p.m.

United States Attorney Murphy thanked the Internal Revenue Service Criminal Investigation for their investigation of the case. The United States was represented by Assistant United States Attorney F. William Soisson.